Types of Funds that Cannot Be Used as Non-Federal Match

- ANY funding from a federal source.
- ANY mitigation money or land required for mitigation through federal law.
- Any type of advertising for the California Department of Fish and Game: The
 Department cannot promote itself and use the promotion effort or items as non-federal
 match. However, DFG may provide information on programs it offers to the public or
 explain programs (i.e., HCP/NCCP Planning) run by the Department. Providing signage
 on lands acquired with Section 6 funds and nonfederal match funds is acceptable and
 even desirable if it will not negatively impact the purpose for which the lands were
 acquired.
- (Until further notice) ANY bond funding.

What Types of Things are Eligible as Non-Federal Match?

Whatever is deemed "necessary and reasonable" to achieve the objectives of the grant and/or to put together or implement a plan can be eligible as non-federal match. The cost assigned must adhere to the **Cost Principles** found in **43 CFR Section 12**. The value must be reasonable, verified by a State Administrative Manual or a standard salary rate for state or local positions for individuals who do a similar level of technical work.

For all non-federal matches: Clear, detailed documentation is a MUST. Original documentation is to be generated and retained at the local level. Detailed summaries of the original documentation must be provided to DFG regional staff on a frequent basis. The more frequent the documentation is provided, the more frequently DFG can draw federal funds. DFG regional staff is responsible for tracking, documenting and keeping a file of non-federal match information (for each project/grant) as a backup to the local documentation. DFG staff must keep a detailed table of expenses and make periodic comparisons with what the DFG accounting office believes has been invoiced and paid under the project encumbrances (either contracts or other financial commitments).

Important Notice: The ONLY time costs (or match) can be claimed outside the grant period is when they are SPECIFICALLY stated in the proposal and the USFWS approves that preagreement cost (or match). This should be considered a "special" circumstance and not the normal situation. Additionally, any pre-agreement costs must be deemed "necessary and reasonable" to obtaining the objectives of the grant. This is always a judgment call by the USFWS (both Division of Ecological Services and Wildlife and Sport Fish Restoration program) representatives, so get authorization prior to including any pre-agreement costs (or match).

HCP Planning Assistance Non-Federal Match Sources

- Local Agency third-party in-kind: This is the most frequently used type of non-federal
 match for HCP Assistance Grants. Typically it is the "lead" local agency that incurs the
 costs and documents the match. The in-kind would be assigned a value that is based
 upon actual expenditures or a comparable salary for personnel performing an equivalent
 level of technical work. This can also be contracted services (at the actual contract rate).
- **DFG staff time (cost-share):** Anyone or anything that is "necessary and reasonable" and directly contributes to the accomplishment of the planning process. These can be volunteers as well as permanent staff. Staff time must be documented and signed by both the employee/volunteer and the Supervisor.
- Staff time from other State/Regional/local/NGO entities (in-kind): Other agencies/entities providing assistance (either technical or biological or planning) to HCP

planning processes. These entities can document actual time and expenses at their usual rates (document time, mileage to meetings, per diem, etc.). These entities must show actual expenses or use State or federal rates, and be consistent with the documentation throughout the life of the grant.

- **Surveys:** Surveys that are necessary to the development of the HCP and that are not being funded by the grant or other federal funding sources.
- Flyovers for GIS mapping, ground-truthing or verification: This can be documented as actual expenditure or at a normal contracted rate.
- **EIR/EIS costs:** Funding that is spent for items that are beyond tasks that are grantfunded activities, but are necessary to complete the document and have it reviewed and approved.
- **Graphics:** Special graphics necessary for presentations or inclusion in documents or for public outreach, which are not funded by the grant. These can be documented at actual cost to produce or at an equivalent staff level at an hourly rate.
- Printing brochures: The actual cost to print brochures about the HCP or the planning process, which are not included in the grant.
- Donated facility use: Office space or meeting space can be allocated at a rental or lease rate based upon current market rate or a Department of General Services (DGS) rate. If current market rate is used, it will need to be justified and documented.
- Scientific advisors' time beyond the contracted amount: Scientists and economists
 are often provided stipends to participate on special working groups and committees.
 They often spend time far in excess of that which the stipend is meant to cover. In this
 situation, an agency may use the "Contractor's normal hourly rate" to determine a value
 beyond what is covered by the stipend. This would be based upon the experts'
 documentation of their excess hours and their normal rate of reimbursement.
- Science advisors' stipend: Stipends not paid by federal money may be used as match.
- Use of non-federal academics and researchers: Contracted academics and researchers may accept payment is at a discounted rate (or negotiate a lower overhead rate), based on their normal value for their time or speaker's rate. The difference between their normal and discounted rate in pay can be used as a nonfederal match. (Reminder documentation is a must!)

HCP and Recovery Land Acquisition

- Staff-time working on the land acquisition: Time spent by DFG and Wildlife Conservation Board (WCB) staff on the project would need to be documented and signed by the biologist or land agent and their supervisor. For NGOs it would be their actual time spent (verified by supervisor) and either valued at their normal rate of pay with benefits or valued at an equivalent State employee position. Documentation should be provided to WCB in order to be valued when drawing the federal funds and to be reported in the Final Financial Status Report.
- Appraisal, escrow and closing costs: These can be actual amounts expended at the
 end of the project or an estimate from the land agent for closing costs per acre. These
 estimates can be included in the proposal as the non-federal match that will be used for
 the acquisition.
- Land (non-mitigation): Any land used as match must have a recent (less than 12 months) appraised value and must have a logical link to the properties to be acquired under the grant. For example, the match land must be documented to show species' biological needs or comprise a logical habitat connection between properties that support a reserve system. There are additional requirements to use land as match that must be adhered to. Check with USFWS prior to pursuing the use of land as match (see contact information below).
- Required pre-acquisition and -agreement costs: According to State purchasing requirements, certain documentation must be completed prior to an acquisition being

completed. This may include a Phase I Environmental Assessment, Cultural Resources records search and surveys, etc. If these costs are expected to occur prior to the grant being obligated, the items of expenditure must be specifically named in the proposal as "pre-agreement costs" and a specific dollar amount must be indicated. The acquisition of the land may NOT be included in this category.

- **Biological surveys:** Biological surveys may be conducted prior to proceeding with an acquisition in order to verify the resources are on the lands to be acquired.
- Other activities that are "necessary and reasonable" to complete the acquisition: This would include items of expenditure that occur during the grant period. If costs are to be incurred by DFG/WCB or partners and to be used as match prior to grant being awarded, the items must be included in the proposal and the tasks and associated costs must be specified.
- Start-up management costs for the acquired property: In order to be eligible as match, costs must be incurred and documented as being spent during the grant period.
- Non-federal endowment funds for property management: Endowment funds can be
 provided by the State, local agencies or by NGOs. To be eligible as non-federal match,
 the funds cannot be from a mitigation funding source and must also be from a nonfederal funding source. If the endowment is from a mix of funding sources, it is possible
 that some of the value is eligible for use as match, if the eligible funding is clearly
 documented.
- DFG staff time spent on natural resource verification, and conservation easement, appraisal and document review: DFG staff must document time spent in their planner or calendar. It should also be noted on their timesheets and signed by the DFG staff and their supervisor. Staff must track their time (and its value) in a way (spreadsheets are great) that can be provided to DFG Headquarters, to be transmitted to WCB (the land agent and fiscal officer) to allow the draw of additional federal funds toward the land acquisition. This information will be needed for the Final Financial Status Report as well.
- **DFG attorney time for review of land acquisition documents:** DFG Regional staff may keep track of time spent by the DFG attorney in review of legal acquisition documents. Attorneys are to charge an appropriate rate as match. This time should be documented by the attorney (such as in their daily planner or calendar) in order to assign a value to it. It should be appropriately documented and signed by the DFG attorney.
- **DFG staff time to visit property:** Staff should document the need for the site visit and may include travel and per diem costs. If a particular type of vehicle is necessary to access the property, an appropriate actual or DGS rental rate should be applied.
- Bargain sale from landowner: When a landowner accepts an amount that is lower than the current market value, the difference between the price paid and the approved appraised value is considered the "bargain sale amount." This amount can be used toward the non-federal match as long as the landowner signs a document verifying that they were informed of the full current market value and have agreed to sell at the discounted price knowing the full value of the property.
- Funds from Natural Resources Damage Assessment penalties: These penalty funds
 must be managed by a non-federal organization. There are other conditions that apply.
 Consult with USFWS (see below for contact information) for the eligibility of this source of
 funds before committing to using these funds in a proposal.

Contacts:

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